GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2947
ANSWERED ON:22.08.2006
ALLOCATION OF FUNDS FOR INDUSTRIAL DEVELOPMENT
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the norms for allocation of funds to States for industrial development;

(b) whether the Karnataka State has got the lowest investment in industrial sector as compared to other Southern States;

(c) if so, the reasons therefor;

(d) whether the funds allocated are not sufficient for development of industries particularly in rural areas of the country;

(e) if so, the reasons therefor and the reaction of the Government thereto; and

(f) the steps being taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) to (c): DIPP does not operate any generic scheme for allocation of funds to States for industrial & development except for special schemes. While the primary responsibility for industrial

(e) and (f): development is of the State Governments, Government of India supplements their efforts to the extent possible in providing infrastructure facilities and other incentives under its various schemes. At present, these include the Growth Centre Scheme, Industrial Infrastructure Upgradation Scheme, North-East Industrial Policy Package, Special Category States Package, Integrated Development of Leather Sector and Industrial Park Scheme being operated by Department of Industrial Policy and Promotion and funds are allocated for the projects under these schemes. Under the liberalized economic environment, investment decisions including choice of locations of the industrial units are taken by entrepreneurs based on techno-economic considerations. State-wise information of the Industrial Entrepreneurs Memoranda (IEM) received and Letters of Intents (LOI)/ Direct Industrial Licenses (DIL) issued by the Department of Industrial Policy and Promotion during 1.4.2003 to 30.6.2006 is at Annex.

(d) : Government is reviewing and evaluating relevant schemes from time to time to make them meaningful for industrial development throughout the country. Ministry of SSI and Ministry of Agro & Rural Industries have formulated special schemes for industrial development of rural areas.

ANNEXURE

Annexure referred to in re 1 to Lok Sabha Unstarred uestion No. 2947 for answer on 22-08-06.

1.5 STATEWISE AND FINANCIAL YEARWISE INVESTMENT INTENTIONS(IEMs +LOIs+DILs) FROM 2003-2004 ONWARDS

S. No	Name of the State	2003-2004 Nos	2003-2004 Prop. Inv (Rs.Cr)	2004-2005 Nos	2004-2005 Prop. Inv (Rs.Cr)	2005-2006 Nos	2005-2006 Prop. Inv (Rs.Cr)	2006-2007 (Apr-June) Nos	2006-2007 (Apr-June) Prop. Inv (Rs.Cr)	Total Nos	Total Prop-osed Inves-tment (Rs. Crore)
1	Andaman & Nicobar Islands	0	0	0	0	2	31	0	0	2	31
2	Andhra Pradesh	266	16527	422	16596	493	19001	178	18392	1359	70516

3 Arunachal 7 68 6 51 7 41 2 5 22 165
Pradesh

4 Assam 39 163 73 430 71 809 18 443 201 1845

5 Bihar 5 27 12 314 37 3913 25 2688 79 6942

6 Chand- 0 0 2 1 0 0 0 0 2 1
igarh

7 Chhatt- 212 16155 453 47602 242 39914 49 14750 956 118421
isgarh

8 Dadra & 227 4137 96 834 88 2374 25 1069 436 8414
N Haveli

9 Daman & 91 390 54 418 72 780 13 37 230 1625
Diu

10 Delhi 9 14 7 20 5 20 2 6 23 60

11 Goa 33 325 29 171 36 296 10 191 108 983

12 Gujarat 447 32341 613 29695 753 82901 169 7848 1982 152785

13 Haryana 185 8372 198 2737 232 5578 70 915 685 17602

14 Himachal 63 1126 107 3384 115 1774 42 862 327 7146
Pradesh

15 J& K 56 774 126 2719 134 2058 28 726 344 6277

16 Jharkhand 65 1861 88 10539 202 54089 28 5068 383 71557

17 Kamataka 180 14074 224 10969 268 15353 94 5706 766 46102

18 Kerala 20 417 26 294 48 610 10 167 104 1488

19 Lakshadweep 0 0 0 0 0 0 0 0 0 0

20 Madhya 70 1616 139 8538 175 18782 45 2094 429 31030
Pradesh

21 Mahar- 685 8878 709 13256 826 24694 217 5524 2437 52352
ashtra

22 Manipur 0 0 1 0 1 7 0 0 2 7

23 Meghalaya 32 99 32 215 33 634 4 819 101 1767

24 Mizoram 0 0 0 0 0 0 0 0 0 0

25 Nagaland 5 16034 1 2 0 0 0 0 6 16036

26 Orissa 155 17718 248 45565 167 38255 26 13064 596 114602

27 Pondicherry 51 252 34 263 48 411 13 60 146 986

28 Punjab 110 1844 170 4190 195 7127 52 2750 527 15911

29 Rajasthan 170 1096 156 2162 186 5077 63 3779 575 12114

30 Sikkim 2 18 5 243 7 548 1 10 15 819

31 Tamil Nadu 256 2898 419 54481 630 11841 206 6844 1511 76064

32 Tripura 2 2 7 251 0 0 1 0 10 253

33 Uttar Pradesh 238 2179 565 21633 631 31710 251 21418 1685 76940

34 Uttaranchal 142 1334 174 2441 392 5706 156 6330 864 1511

35 West Bengal 450 7637 452 14078 380 12047 86 1520 1368 35282

36 locations in More than one State 2 9 1 2 0 0 0 0 3 11

Total 4275 158385 5649 294094 6476 386381 1884 123085 18284 961945

Note: Inve&`bnent in terms of Industrial Entrepreneur Memoranda (IEMs) filed,Letters of Intent (LOis) issued and Direct Industrial Licences issued since November 2003.